Company Registration No. 10510999 (England and Wales)

RENTGUARANTOR HOLDINGS PLC

GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

RENTGUARANTOR HOLDINGS PLC

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RENTGUARANTOR HOLDINGS PLC

DIRECTORS, SECRETARY AND ADVISORS

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Company number	10510999
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Website	www.rentguarantor.com

Rentguarantor Holdings PLC is quoted on the Apex segment of the Aquis Stock Exchange Growth Market with a TIDM of RGG

CHAIRMAN'S STATEMENT

I am pleased to present my Chairman's report and an update on our progress for the year ended 31 December 2024.

During 2024 we have continued to build on the growth trajectory of previous years. We have successfully developed our technology further, added new strategic relationships and partnerships which have helped to drive our growth in revenues and increased our profile amongst our partners in the industry.

The year has also seen a change in government in the UK and with it proposed changes in legislation which will impact on tenants and landlords. The challenges facing capital markets in the UK have been well documented, but I am encouraged by the loyalty of our shareholders, who continue to support the Company in its strategic growth plan.

The results we are reporting today show further significant year on year growth in revenues. We have continued to develop our technology, added further depth and breadth to our staff and broadened our sales offering. I am pleased that we been able to grow our business in a significant way despite the economic and legislative uncertainties.

Key milestones in the period include:

Introduction of new tenancy contract

In July 2024, the Company introduced a three-year guarantee contract to match the demand for longer term tenancies in the Private Rental Sector ("PRS") in the UK. The three-year contract provides recurring revenue for the Company, which is expected to contribute positively to our growth outlook.

Legislative changes

This progress has been achieved at a time of considerable change in the PRS market. The Renters' Rights Bill, introduced by the Labour Government in September 2024, is currently undergoing its second reading in the House of Lords. Designed to overhaul rental laws, the Bill aims to enhance tenant protections while introducing significant changes for landlords.

If passed, these reforms will reshape tenancy agreements, landlord obligations, and tenant rights across the UK. The Bill is expected to become law by summer 2025.

In this environment of change for both landlords and tenants, we have carefully managed the risks and opportunities to our growth strategy. This includes our cost structure and working capital needs.

Development of updated technology platform

Reflecting the Company's commitment to innovation, the Company is developing an updated tech platform which will provide an improved user experience and even greater capacity for growth in 2025.

Financial Results

The Group delivered significant revenue growth in FY24 of 72% to £1.27m (from £741k last year), which is in line with the growth rate of 79% achieved last year. This results from both an increased number of tenant contracts and a higher average contract price. Overall, gross margins were 79.2% compared with 81.4% in 2023. Whilst administrative costs increased in order to support our growth plans, operating losses were largely unchanged at £816,000 (£815,000 in 2023). With the support of our shareholders, the Group has remained in a positive cash position and is well placed to achieve further growth in 2025.

People

To support this growth, we have continued to develop and grow the team, and the Company plans to onboard additional members of staff during 2025

The commitment and drive of all our staff have been fundamental to what we have achieved in the last year. Several new members have joined the team and have become an integral part of our success. These results are a reflection of their hard work and on behalf of the Board, I offer them my sincere thanks.

Board and Governance

We have continued to review our governance procedures and the Company has fully transferred its shareholder communications onto its Investor Hub, which brings all Company content into a single integrated platform and provides a place for interaction with shareholders. I am grateful for the contributions that the management team has provided throughout the year.

In February 2025, the Company appointed Allenby Capital as the Company's AQSE Corporate Advisor to advise on our corporate governance and market compliance.

Summary and Outlook

I am pleased to say that the investment in our people and technology in 2024 has further enhanced our growth in the first few months of 2025. We started the new year with the issue of a two-year convertible loan note which has provided £455,000 to fund the growth and expansion of the business during 2025. We have ambitious targets to scale the business and, with your continued support, I hope that we can continue our growth and development. The upcoming Renters' Rights reforms should be a positive factor for RentGuarantor and I look forward to sharing news of our growth and development in 2025.

The ongoing economic and geo-political environments do create uncertainty, and we will take a cautious but considered approach to the Group's long-term strategy. We believe that the long-term opportunity remains significant and anticipate further growth for the Company in both the short and medium term.

I look forward to reporting to you on our progress over the coming year.

Graham Duncan
Non-Executive Chairman
17 March 2025

RENTGUARANTOR HOLDINGS PLC

STRATEGIC REPORT - EXECUTIVE DIRECTORS' STATEMENT

Financial & Operational Highlights

	2024	**2023**
Revenue up 72%	£1,274k	£741k
Tenant contracts up 50%	1,687	1,124
Average contract price up 14%	£755	£660
Arrears claims % of revenue	4.03%	2.32%

- Council Partners 10 in 2024.
- Partnership Agreements with letting agents 165.
- Industry events attended in 2024 was 34

The Rental Market

The Renters Rights Bill 2025 comes into effect very soon in the UK. This piece of legislation is a radical overhaul of its predecessor, which dates back almost 40 years. The aim of the reform is to modernise the legislation for the current rental market in the UK. In essence the bill is set to support the renter and legislate for penalties with a strict code of governance for Letting Agents and Landlords. While change is inevitable this legislation will leave Landlords and Letting Agents exposed to financial risk and sanction from the authorities for non-compliance, Landlords will have the ability to mitigate risk by using Professional Guarantor services and alternative complementary insurance products.

The two most prominent parts to the bill are:

1. The ending of the Section 21 Notice.
2. The restriction of the ability to take more than one month rent in advance.

Both sections of the new bill are transformative for landlords as they force the landlord into a position that is uncomfortable and make the business of being a landlord uncertain. With the introduction of the abolition of the section 21 notice, this, in effect, means that all tenancies will only be able to be ended using Section 8 notices. New grounds for section 8 are to be introduced but as yet are unconfirmed. The legislation does provide a framework to landlords for 'legal eviction" to end a tenancy, which are for reasons such as crime, rent arrears, and matters that require the decision of a court. The legislation seems to favour the tenant as they can now surrender a tenancy at any point and with the possibility of short notice too.

The abolition of taking "rent in advance" is also a big feature of the bill. This clause will impact landlords who have tenants coming from overseas who do not have a history in the UK, do not have a UK guarantor, and who instead paid rent in advance, or tenants who don't pass referencing for various reasons. This section of the bill, appears to impact both landlord and tenant adversely, nonetheless the UK government seem to be insistent on this being a feature. RentGuarantor is well placed to alleviate any stress for both parties by acting as a professional Rent Guarantor.

As landlords and the rental market adjust to this new legislation, we are seeing evidence of landlords exiting the space, which in turn will put further pressure on the housing stock, resulting in the inevitable increase in rents, as per a report in the FT adviser in October 2024.

RentGuarantor is well placed to embrace the new legislation and has the capacity to handle the increase in volume of people who require a guarantor, in turn, providing landlords with security and helping to de-risk financial loss through non-payment of rent.

Enhanced Operations:

Two new insurance underwriters have been identified (which brings the total to three) bringing additional capacity and operational comfort to the business to assist with the anticipated increase in contract volumes over the next 36 months.

Over the past year the company has invested in an upgrade of technology. We will launch a new version of the RentGuarantor platform (expected mid 2025), which will include an open-source API, to allow faster digital connections with all the players in the rental market in the UK (Reference companies, software providers and large letting agents).

Personnel:

The staff numbers within the RentGuarantor Group of companies continue to grow to meet demand.

The company is pleased to announce the following:

Amanda Bower- Compliance & HR support. Amanda has a wealth of experience and has worked in the private rental sector, B2B and B2C sector for more than 15 years.

Sandra Donovan - Education & Training. Sandra also comes with a high pedigree having served with many of the big brands in the UK for 25 years

The operations team is about to expand to meet the demand for the uptake in applications during 2025.

The position of Group Financial Accountant has become available, and a candidate has been recruited and accepted the post. This position has become vacant due to the retirement of our existing very loyal and committed staff member Ian Mackie. May I personally thank Ian for his commitment and dedication to the role, without his expertise and patience during the growth of the business life would have been so much more difficult. Happy retirement Ian.

Corporate Adviser Replacement

As the company's needs evolve, the board of RentGuarantor appointed Allenby Capital as corporate adviser on 28th February 2025. Regrettably, we see the end of a 10-year relationship with Alfred Henry. I wish to thank Nick Michaels and Maya Wassink for their support over the years they were a wonderful comfort to myself and the business as we embarked on our IPO journey during the tough times of Covid, I will be forever grateful.

Climate Change

We believe it is our corporate responsibility to deliver returns by being a responsible investor and partner in all the communities in which we engage. Minimising our impact on the environment continues to be a company focus, and this includes ensuring our carbon footprint remains low, by keeping business travel to a minimum and using online video platforms to conduct meetings where practical. Likewise, our staff all work from home which eliminates commuting emissions associated with daily driving.

Staff

RentGuarantor is committed to maintaining a fair and inclusive workplace, upholding a non-discriminatory, equal opportunities employment policy in line with UK employment law. We value diversity and encourage open communication at all levels of the organisation.

We also prioritise the health, safety, and well-being of our employees by implementing best practices and adhering to relevant UK health and safety regulations to ensure a safe and supportive working environment.

Equal Opportunity

The Company is committed to fostering a workplace that promotes equality, diversity, and inclusion. We provide equal employment opportunities regardless of ethnicity, gender, or any other protected characteristic under UK law.

We recognise that our employees are a valuable asset and play a key role in our success. Therefore, we actively encourage employee engagement and participation wherever practical to create an inclusive and supportive working environment.

On 31 December 2024 we had 16 staff across all the disciplines of the business. We intend to increase the staff count progressively, building capacity for expansion of the business during 2025 and beyond.

I would like to take this opportunity to thank all the staff for their hard work during the year and I look forward to implementing our business plan with vigour and commitment.

Gender Analysis

A split of all directors, senior managers, and staff is detailed in the following table

	Male	**Female**
Directors	4	1
Senior Managers	2	0
Staff	2	10

The Board recognises the need to operate a gender diverse business and will ensure this is reviewed during 2025. The Board will also ensure any future employment considers the necessary diversity requirements and compliance with all employment law. The Board is satisfied that it has the experience and sufficient training and qualifications to operate this business at this stage of its development.

Principal Risks and Uncertainties

The Directors consider the principal risks and uncertainties facing the Company and a summary of the key measures taken to mitigate those risks are as follows:

Financial risks

The key financial risk is that of funding the continued development of the business with the current cash reserves whilst protecting shareholder value. The Board manages this risk by maintaining close oversight of the cash position to enable it to take action, as necessary. During the year, the Company raised funds from shareholders by way of the issue of additional loan notes. As a result of these actions together with continued revenue growth, the Board believes that this risk level is lower than at the same time last year.

Strategic and commercial risks

The success of the Company's business strategy is dependent on growing the customer base, developing its technology and strategic partnerships. To mitigate these risks, the Company has continued to develop its technology, enhance its marketing capabilities and signed strategic partner initiatives.

Operational risks

The key risk to the Group's ability to deliver its products is ineffective succession planning and failure to retain skills. The Group operates in very competitive markets and the skills that its employees possess are attractive to other employers. Not having the right people and skills could negatively impact the Group's ability to service its customers and grow the business. It is important that the Group maintains high levels of employee engagement to ensure that it can retain and attract the best talent. Employee engagement is monitored to identify issues and, where necessary, take restorative action.

To support the retention of staff, the board has agreed, subject to shareholder approval, to set up a share option scheme and to implement a performance bonus scheme.

Another key operational risk is non-supply by a major supplier. Some of the Group's technical infrastructure and software is sourced from third-party suppliers and partners. The removal from the market of one or more of these third-party suppliers or interruption in supply could quickly and adversely affect the Group's operations and result in the loss of revenue or additional expenditure. To mitigate this risk, the Group's business development and management teams work strategically to prevent over reliance on any one key supplier. Suppliers are carefully selected to minimise risk of supplier failure or insolvency, and the Group ensures that team members are aware of supplier requirements or restrictions to minimise the risk of loss of a supplier due to a breach of contractual obligations. In addition, the Group seeks to form business partnerships to enhance its offerings but also help to ensure its 'production capability.'

Current Economic Outlook

The current economic environment in the UK and the Renters Reform Bill 2025 bring an immense opportunity for the scaling of the RG business, where the company becomes the dominant player in our space. Never was it more important for a landlord and tenant to secure their position with a rent guarantee. No landlord can tolerate rent loss, while tenants don't need to compound their situation with potential eviction notices. We look forward to working with the industry to bring peace of mind by providing guarantees to those in need.

Rental property will be in short supply and rents will increase, as a result. The private rental sector is going through a legal and digital transformation and RG has the capacity and team to have first mover advantage.

Companies Act S.172

The Directors acknowledge their duty under s.172 of the Companies Act 2006 and consider that they have, both individually and together, acted in the way that, in good faith, would be most likely to promote the success of the Company for the benefit of its members. In doing so, they have had regard (amongst other matters) to:

The likely consequences of any decisions in the long-term

In making its decisions, the Board considers its priority of making the Group profitable alongside the interests of our staff and the need to keep pace with market initiatives and technological changes, so the business is appropriately positioned to take best advantage of market conditions and remain viable for the long-term.

Engagement with employees

The Group's policy is to consult and engage with employees, by way of meetings and through personal contact by Executive Directors and other senior executives, on matters likely to affect employees' interests. Information on matters of concern to employees is given in meetings, handouts, letters, and reports, which seek to achieve a common awareness on the part of all employees on the financial and economic factors affecting the Group's performance. We maintain oversight of their performance through a development review process. We value our employees' thoughts and ideas, and two-way communication is actively sought and encouraged. In 2025 we will be introducing a more structured and documented 121 process which will further cement our commitment to engagement with our employees.

Business relationships with customers, suppliers, and others

Our customers, suppliers and business partners are key to the long-term success of our business. We seek to maintain and grow our relationships with all parties through regular dialogue as a means of enhancing our reputation and to help us achieve our growth ambitions. We set out our relationship with our business partners in terms of business or service level agreements. We maintain oversight of these arrangements as well as making sure our customers receive appropriate levels of feedback.

The impact of the Company's operations on the community and environment

The Company seeks to be a responsible member of its community and take its environmental impact into account.

The desirability of the Company maintaining a reputation for high standards of business conduct

We communicate with shareholders through financial results on a yearly and half-yearly basis. We also provide the required press releases to ensure compliance with the AQSE Growth Market rules.

Paul Foy

Paul Foy
Director
17 March 2025

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present their report and financial statements for the year ended 31 December 2024.

Principal activities

The principal activity of the Group is the provision of an online platform offering rent guarantor services to the property rental sector in the United Kingdom.

Key Performance Indicators

The Group uses some strategic key performance indicators ("KPIs") to measure our financial and non-financial performance. The KPIs, to be utilised from 2024, are linked to our strategic objectives to help assist in the measure of business performance.

The most important KPI in 2024 has been the level of revenue and the related cash generated within the business. Other measures are considered by management to be some of the most important in evaluating the overall performance of the Group year on year:

1. Number of guarantee contracts sold.
2. Average value of guarantee contracts sold.
3. Commercial agreements entered with key market agencies.

Research and Development

R & D policy can be found with reference to Note 2.12

Other Non-Financial Information

The Board acknowledges that a strong business relationship with current and future service providers and future customers is a vital part of the growth.

We value the feedback we receive from our stakeholders, and we take every opportunity to ensure that where possible their wishes are duly considered.

Policies and procedures have been established for strong corporate governance including anti-corruption and anti-bribery matters.

Results and dividends

The results for the year are set out on page 22. No dividend is proposed for the year (2023: nil)

Outlook and future developments

The Group continues to develop its range of products and services in order to support the future growth of the Group. RentGuarantor goes from strength to strength with income continuing to rise consistently during 2024. The current economic environment in the UK and the Renters Reform Bill 2025 bring an immense opportunity for the scaling of the RG business, where the company becomes the dominant player in our space.

Over the past year the company has invested in an upgrade of technology. We will launch a new version of the RentGuarantor platform (expected mid 2025), which will include an open-source API, to allow faster digital connections with the players in the rental market in the UK (Reference companies, software providers and large letting agents).
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Going concern

The financial statements are required to be prepared on the going concern basis unless it is inappropriate to do so.

The Group incurred losses of £693,362 (2023: £1,229,337) on continuing operations and experienced net cash flows from operating activities of £229,979 (2023: (£71,075)). The Group's cash balances at 31 December 2024 were £272,038 (2023: £35,372).

The Group meets its day-to-day working capital requirements through its revenue and funds from the capital raised from the issuance of Convertible Loan Notes as well as loans made to the Company. More recently, the Company raised £455,275 through the subscription to convertible loan notes. The proceeds of which will be used for working capital purposes as well as supporting the Group's strategic growth plans.

Following the subscription for convertible loan notes, the Group's cash position gives it sufficient headroom to execute its business plans. This has enabled the financial statements to be prepared on a going concern basis.

The Directors have prepared forecasts and projections and have specifically performed a detailed review of those forecasts for the period to December 2026. These reflect the expected trading performance of the Group on the basis of best estimates of management using current knowledge and expectations of trading performance. These forecasts and projections have also been stress tested to consider what the Directors believe to be a 'plausible worst-case scenario'.

The Directors report that they have re-assessed the principal risks, reviewed current performance and forecasts, combined with expenditure commitments, including capital expenditure. The Directors believe that the biggest issue that could give rise to significant doubt over the entities ability to continue as a going concern is if it run out of cash reserves. It is for this reason that the Directors issued the convertible loan notes at the end of 2024, as was already mentioned above, this raised £455,275. The Directors will if required continue to work towards raising further capital in order to be able to undertake its strategy with strong cash reserves. Additionally, the Group's forecasts for a period of at least 21 months from the date of signing of these financial statements demonstrate it will have sufficient cash reserves to enable it to meet its obligations as they fall due and should there be an instance where there were a working capital gap, the CEO has committed to funding that working capital gap. With the continued raising of capital, the forecasts, together with the assurance, the Directors believe will be sufficient such that a material uncertainty does not exist. Accordingly, the Directors consider the Group to be a going concern.

Directors

The following directors have held office during the year, or post year end:

Graham Duncan
Paul Foy
Kieron Becerra
Emma Foy
David Cliff

Directors' interests in shares

At the date of this report the directors held the following beneficial interest in the ordinary share capital of the Group:

	2024	**2023**
Graham Duncan	50,000	50,000
Paul Foy (including shares held through Southpaw Limited, Ruvso Holdings Limited and JIM Nominees)	4,664,175	4,453,886
Kieron Becerra	200,000	200,000
Emma Foy	1,000	1,000
David Cliff	11,000	

Substantial shareholders

At the date of this report this individual held at least 5% beneficial interest in the ordinary share capital of the Group:	**2024**	**2023**
Paul Ian Victor (6.34%)	750,000	750,000

Directors' remuneration for the year ended 31 December 2024	**2024**	**2023**
Graham Duncan	£ 26,125	£ 25,000
Paul Foy	£156,750	£150,000
Kieron Becerra	£ 31,350	£ 30,000
Emma Foy	£ 73,150	£ 70,000
David Cliff	-	-

All remuneration comprises fees and salaries and no other post-employment, long-term or termination benefits. The executive directors of RentGuarantor Holdings PLC are not entitled to any bonuses on Group results as at 31 December 2024.

Financial risk and management of capital

The major financial risks to which the Group is exposed to and the controls in place to minimise those risks are disclosed in Note 4 to the financial statements.

A description of how the Group manages its capital is also disclosed in Note 4.

Financial instruments

The Group has not entered into any financial instruments to hedge against interest rate or exchange rate risk.

Statement of disclosure to auditors

Each person who is a director at the date of approval of this Annual Report confirms that:

- So far as the directors are aware, there is no relevant audit information of which the Group's auditors are unaware; and
- Each director has taken all the steps that he ought to have taken as director in order to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Auditors

HaysMac LLP were appointed as auditors to the Company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

By order of the Board

Paul Foy
CEO
17 March 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Adopted International Accounting Standards (IFRS). 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 Group and Company and of the profit or loss of the Group for that year. 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;
- state whether they have been prepared in accordance with IFRS as adopted by the UK; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and 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 Group. They are also responsible for safeguarding the assets of the Company and the Group hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

On behalf of the board

Paul Foy
Director
17 March 2025

CORPORATE GOVERNANCE

Corporate structure
RentGuarantor Holdings PLC is the holding Company to the Group and was incorporated in England and Wales. Details of the Company's subsidiaries are set out in Note 12 to the Consolidated Financial Statements. Details of the Directors who have served during the year and up to the date of this report are as follows:

Board of Directors

Name	**Function**	**Appointed**
Graham Duncan	Non-Executive Chairman	14 February 2017
Paul Foy	Executive Director/CEO	5 December 2016
Kieron Becerra	Executive Director/CFO	10 June 2021
Emma Foy	Executive Director/COO	23 February 2021
David Cliff	Non-Executive Director	12 October 2023

Composition

The RentGuarantor Board comprises three Executive Directors and one Non-Executive Director and a Non-Executive Chairman. The composition of the Board is designed to provide an appropriate balance of executive and non-executive experience and skills and will be reviewed regularly. The Board intends to meet in a formal manner on a bi-monthly basis at the principal business office in Gibraltar or by conference call and elsewhere, with additional meetings held as required.

The Chairman is considered by the Board to be independent and is responsible for the running of the Board.

Directors are expected to attend at least four Board meetings each year. The Board aims to meet at least 6 times per annum however, the Board meets more frequently than this on an ad hoc basis.

The Company reports annually on the number of Board meetings that have been held and the attendance record of individual directors. During the year, 3 Board meetings were held. The attendance of the Directors was as follows:

2024 Board meetings	Paul Foy	Graham Duncan	Kieron Becerra	Emma Foy	David Cliff
Total 3	3	3	2	3	1

Responsibilities

The Executive Directors are collectively responsible for promoting the success of RentGuarantor. However, their respective roles are strictly delineated. The Executive Directors have direct responsibility for the business operations of the Group, with the Chairman primarily responsible for the effective running of the Board. The Chief Executive Officer's primary role is to provide the overall management and leadership of the Group and the Chief Financial Officer's primary role is the overall financial management of the Company. The Chief Operating Officer's primary role is the overall operational management of the Company.

It is the responsibility of the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer to ensure that the Directors receive all of the information necessary for the effective performance of their duties. In the furtherance of their duties, the Directors have access to the advice and service of the Corporate Secretary and are permitted to take independent professional advice, where necessary, and to undertake any training considered appropriate, both at the Company's expense. In addition, there are a number of matters reserved for the Board.

The Board regularly reviews the composition of the Board to ensure it has the necessary skills to support the development of the business.

Shareholders

The Board recognises the importance of maintaining good communications with its shareholders. Throughout the year, the Board maintains a regular dialogue with institutional investors and brokers' analysts, providing them with such information on the Company's progress as is permitted within the guidelines of the AQSE rules and requirements of the relevant legislation. In particular, twice a year, at the time of announcing the Group's half and full year results, they are invited to briefings given by the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer.

The Board believes that the Annual Report and financial statements play an important part in presenting all shareholders with an assessment of the Group's position and prospects. The Annual General Meeting is the principal opportunity for shareholders to meet and discuss the Group's business with the Directors. There is an open question and answer session during which shareholders may ask questions both about the resolutions being proposed and the business in general.

Corporate Governance

The Board believes that good corporate governance, actively applied, promotes, inter-alia, accountability, integrity, clear communication, a performance-based culture and a clear understanding of roles and responsibilities. These features of the Company's culture underpin the execution of the Company's strategy and therefore the long-term success of the Company.

The Board is committed to achieving and maintaining high standards of corporate governance and, so far as is practicable given the Company's size and nature, aims to comply with the QCA Code. The QCA Code identifies ten principles that enable companies to deliver growth in long-term shareholder value by maintaining a flexible, efficient, and effective management framework within an entrepreneurial environment.

Audit and risk management issues are addressed by the Directors as a whole, rather than by separate committees. As the Company develops, the Board will consider establishing separate audit and risk management committees and a remuneration committee and will consider developing further policies and procedures, which reflect the principles of good governance.

The Company has adopted a share dealing code for dealings in securities of the Company by the Directors and Persons Discharging Managerial Responsibility which is appropriate for a company whose shares are traded on the Access segment of the AQSE Growth Market.

The Company has implemented an anti-bribery and corruption policy and also implemented appropriate procedures to ensure that the Board, employees and consultants comply with the UK Bribery Act 2010.

The Directors have established financial controls and reporting procedures, which are considered appropriate given the size of and structure of the Company. These controls will be reviewed in the light of an investment or acquisition and adjusted accordingly.

Graham Duncan

Graham Duncan
Non-Executive Chairman
17 March 2025

Independent auditor's report

Opinion

We have audited the financial statements of RentGuarantor Holdings plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Consolidated statement of comprehensive income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows 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 UK adopted international accounting standards.

In our opinion, the financial statements:

• give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2024 and of the group's loss for the period then ended;
• The Group financial statements and Parent Company financial statements have been properly prepared in accordance with UK adopted international accounting standards; 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 group 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 as applied to listed entities, 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.

An overview of the scope of our audit

The Group comprises a parent holding company and two subsidiaries, the scope of our work was the audit of the financial statements of the Group and its subsidiaries. The scope of the audit and our audit strategy was developed by using our audit planning process to obtain and update our understanding of the group and its environment, including the group's system of internal control, and assessing the risks of material misstatement at the group level. Audit work to respond to the assessed risks was performed directly by the audit engagement team who performed full scope audit procedures on the parent company and the group as a whole. The trading subsidiaries of the Group are exempt from requiring an audit, and as such we have not performed a statutory audit for the trading subsidiaries of the Group. In order to opine on the financial statements of the Group, we have performed full scope audit work on the more significant subsidiary and specific scope audit work on less significant trading subsidiary, using component materiality for both.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key Audit Matter</th><th>How our scope addressed this matter</th></tr>
<tr><td>Fraud in revenue recognition

The Group has one revenue stream. Details of the accounting policies applied are given in note 2.5.

We consider there to be a significant risk of misstatement of the financial statements related to occurrence of revenue and transactions occurring close to the year end, as transactions could be recorded in the incorrect financial period (cut off).

Management make significant judgements in relation to revenue recognition under IFRS 9, based on the principles of IFRS 15. Management have disclosed these significant judgements within note 3 of the financial statements. These include determining the Group's performance obligations in its contracts with customers and whether as at the reporting date, the group has completed its performance obligations.</td><td>In order to address the risks associated with these revenue streams we tested a sample of contracts to assess whether:
revenue had been recognised in accordance with the Group's accounting policy and IFRS 9 and 15 requirements;
revenue was recognised appropriately based on whether the Group had completed its performance obligations under the contract prior to the reporting date by reference to its obligations stated in the customer contracts; and
any other terms within the contracts had any material accounting or disclosure implications.
The above included significant amounts of challenge and review of the key judgements made by management in determining when risk and rewards have transferred and that revenue should be recorded at a point in time.

We also performed a cash to revenue reconciliation, tested a sample of sales raised one month either side of the year-end, obtained and critically evaluated management's papers on revenue recognition policy and whether this was in line with IFRS 9 and IFRS 15, including with regards to the Expected Credit Losses on the financial guarantee contracts.

Given the significance of the judgements made by management we have reviewed the disclosures made by management and ensured that the level of disclosure and explanation of these judgements is appropriate and in accordance with IAS 1.</td></tr>
</table>

Key Audit Matter	How our scope addressed this matter
Valuation of intangible assets There is a risk that intangible assets are impaired given the ongoing loss-making position of the group, and current global market conditions which are deflating valuations	We reviewed management's impairment review memo, which included an assessment of the indicators of impairment, and whether the carrying value of the intangible assets has been overstated. We reviewed management's valuations of the intangible assets as at the year-end and ensured that their impairment review has been prepared in line with IAS 36, including underlying assumptions made in preparing the related forecasts to ensure that the valuation of the assets is appropriate and in line with the Group's accounting policies. This included agreeing inputs used in these calculations to supporting documentation and also assessing the determination of the Cash Generating Unit to ensure that the impairment review has been prepared appropriately.
Intercompany Receivables ***Parent Company only*** There is a risk that intercompany receivables are irrecoverable as the subsidiaries are loss making and so may be unable to settle the receivables.	We considered management's review of intercompany receivables recoverability and reviewed the terms of the contracts to ensure that management's assessment is appropriate. We also reviewed the intercompany receivables balances and assessed the financial viability of these balances being recovered based on the associated companies' financial position, taking into account any payments received post year-end.

Key Audit Matter	How our scope addressed this matter
Investments in Subsidiaries ***Parent Company only*** There is a risk that the valuation of the investment in subsidiaries has been materially overstated.	We have obtained management assessments of the possible investment impairment and reviewed for reasonableness and any impairment risk indicators. We challenged management on the assumptions in the assessment and obtained supporting rationale and documentation for key areas, performing sensitivity analysis and recalculations were considered appropriate. We have reviewed management's assessment and concluded it to be reasonable that the value in the financial statements is not in excess of the recoverable value of the investments. This has been achieved by reviewing the value in use calculation prepared by management by agreeing the inputs used were reasonable and also through performing sensitivity analysis on these forecasts to ensure that no impairment was indicated. We have also considered other external indicators for impairment and noted that the current market capital of the group is significantly greater than the net asset position of the Group (including the carrying value of this investment), which provides us with more evidence to suggest that management's conclusions regarding the impairment assessment are reasonable. It was confirmed that the group had only one CGU that was used in these calculations that supported our conclusions.

Our application of materiality

The scope and focus of our audit were influenced by our risk assessment and application of materiality. We define materiality as the magnitude of misstatement that could reasonably be expected to influence the economic decisions of the users of the financial statements. We use materiality to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Materiality for the financial statements as a whole was set at £73,000, determined by reference to 7.5% of the group's average Loss Before Tax (LBT) for the past 3 years. LBT is considered to be appropriate as it features prominently on the accounts of the group alongside loss per share which is based on the LBT. We have reported to the audit committee any corrected or uncorrected misstatements arising exceeding £3,650. Performance materiality was set at £54,700, being 75% of materiality.

Component materiality for the parent company and subsidiaries was set at £46,000, with reference to a benchmark of group materiality.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

In addition to the key audit matters highlighted above in our report, going concern was also considered to be a key audit matter within our audit. Our audit procedures to evaluate the directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included, but were not limited to:

- We obtained and reviewed management forecasts and critically examined the estimates and judgements used in their preparation.
- This included a consideration of the historic accuracy of the budgeting process as well as sensitivity analysis on key assumptions built into the forecasts.
- We sought corroborating evidence for any significant assertions made by management and challenged management with any contradictory evidence that existed.
- We have reviewed the working capital forecast prepared by management for a period of at least 12 months from the date of approval of the financial statements and have agreed to supporting documentation key cashflows such as fundraising received post year end.
- A letter of support was provided to the Group from the CEO, who is also a shareholder of the Company confirming intention to provide additional working capital as necessary to enable the group to meet debts as and when they fall due for at least 12 months from the date of approval of the financial statements. We have satisfied ourselves that the individual from whom the Group would seek support has the capability to provide the support included in the letter of support.

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group business model and reviewed the directors' assessment of how those risks affect the Group financial resources or ability to continue operations over the going concern period. We considered the likely cash inflows and outflows over the going concern assessment period and assessed the risk that the group and the company would be unable to meet their liabilities as they fall due. We scrutinised the reasonableness of assumptions applied to the cash flow forecasts and sensitised such forecasts against various scenarios which could come to realisation. We reviewed and assessed management's going concern memo and discussed this with the Board. We considered post balance sheet date performance and other wider factors in concluding our assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, 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.

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

• the strategic report and the directors' report have 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or

• the parent company 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 11, 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 group's and the parent 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 group or the parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the business and trade regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, income tax, payroll tax and sales tax.

We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

− Inspecting correspondence with regulators and tax authorities;
− Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
− Evaluating management’s controls designed to prevent and detect irregularities;
− Identifying and testing journals, in particular journal entries which shared key risk characteristics; and
– Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jon Dawson
(Senior Statutory Auditor)
For and on behalf of HaysMac LLP
Statutory Auditors
17 March 2025

10 Queen Street Place
London
EC4R 1AG

RENTGUARANTOR HOLDINGS PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Year ended 31-Dec 2024 £	Year ended 31-Dec 2023 £
Continuing operations			
Revenue from continuing operations	**6**	1,273,744	741,028
Direct costs		(263,963)	(137,491)
Gross profit		1,009,781	603,537
Administrative expenses	**7**	(1,825,833)	(1,418,541)
Operating loss		(816,052)	(815,004)
Finance costs	**9**	(36,709)	(55,875)
Revaluation of convertible loan note		159,399	(358,458)
Loss on ordinary activities before taxation		(693,362)	(1,229,337)
Income tax expense	**10**	-	-
Loss for the year		(693,362)	(1,229,337)
Loss per share (expressed in pence per share)	**11**	**(5.87)**	**(10.61)**

There is no other comprehensive income for the year (year ended 31 December 2023: nil).

The notes on pages 27 to 53 form part of these financial statements.

RENTGUARANTOR HOLDINGS PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	2024 £	2023 £
Assets			
Non-current assets			
Intangible assets	**14**	319,331	272,751
Tangible assets	**15**	5,870	9,192
		325,201	281,943
Current assets			
Trade and other receivables	**16**	30,649	22,726
Cash and cash equivalents	**17**	272,038	35,372
		302,687	58,098
Total assets		**627,888**	**340,041**
Equity and liabilities			
Equity attributable to owners of the parent			
Ordinary share capital	**18**	11,879,174	11,581,175
Share premium	**19**	1,320,276	796,621
Reorganisation reserve	**19**	(8,050,001)	(8,050,001)
Accumulated losses	**19**	(6,640,187)	(5,946,669)
		(1,490,738)	(1,618,874)
Liabilities			
Non-current liabilities			
Convertible loan notes	**20**	-	903,253
		-	903,253
Current liabilities			
Trade and other payables	**20**	2,118,627	1,055,662
Lease liability	**20**	-	-
		2,118,627	1,055,662
Total liabilities		2,118,627	1,958,915
Total equity and liabilities		**627,888**	**340,041**

The notes on pages 27 to 53 form part of these financial statements.

Approved by the Board and authorised for issue on 17 March 2025.

Mr Kieron Becerra
Director
Company Registration No. 10510999

Mr Paul Foy
Director

RENTGUARANTOR HOLDINGS PLC

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	2024 £	2023 £
Assets			
Non-current assets			
Investment in subsidiary	**13**	8,500,501	8,500,501
Trade and other receivables	**16**	3,471,500	3,113,905
		11,972,001	11,614,406
Current assets			
Trade and other receivables	**16**	41,610	36,470
Cash and cash equivalents	**17**	238,242	283
		279,852	36,753
Total assets		**12,251,853**	**11,651,159**
Equity and liabilities			
Equity			
Ordinary shares	**18**	11,879,174	11,581,175
Share premium	**19**	1,320,276	796,621
Accumulated losses	**19**	(2,643,704)	(2,318,765)
		10,555,746	10,059,031
Liabilities			
Non-current liabilities			
Convertible loan notes		118,106	903,253
	20	118,106	903,253
Current liabilities			
Trade and other payables	**20**	1,578,001	688,875
Total liabilities		1,696,107	1,592,128
Total equity and liabilities		**12,251,853**	**11,651,159**

As permitted by Section 408 of the Companies Act 2006 the profit and loss account of the parent Company is not presented as part of these financial statements. The parent Company's loss for the financial year was £324,938 (2023: Loss of £789,498).

The notes on pages 27 to 53 form part of these financial statements. Approved by the Board and authorised for issue on 17 March 2025.

Mr Kieron Becerra
Director

Mr Paul Foy
Director

RENTGUARANTOR HOLDINGS PLC

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash consumed in operations	**21**	229,979	(71,075)
Net cash inflows/(outflows) from operating activities		**229,979**	**(71,075)**
Cash flows from investing activities			
Expenditure on non-current assets		(2,526)	(5,322)
Expenditure on intangible assets		(194,404)	(116,246)
Conversion of convertible loan note in the year		(250,000)	-
Net cash outflows from investing activities		**(446,930)**	**(121,568)**
Cash flows from financing activities			
Proceeds from issue of convertible loans		-	200,000
Finance costs paid		(36,709)	(51,372)
Lease repayments		-	(12,500)
Proceeds from issue of shares		490,326	-
Net cash inflows from financing activities		**453,617**	**136,128**
Increase/(decrease) in cash and cash equivalents		**236,666**	**(56,515)**
Cash and cash equivalents at the beginning of the year		35,372	91,887
Cash and cash equivalents at the end of the year		**272,038**	**35,372**

The notes on pages 27 to 53 form part of these financial statements.

RENTGUARANTOR HOLDINGS PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Share Capital	Share Premium	Reorganisation Reserve	Accumulated Losses	Total
	£	£	£	£	£
As at 31 December 2022	**11,581,175**	**796,621**	**(8,050,001)**	**(4,717,332)**	**(389,537)**
Share capital issued	-	-	-	-	-
Loss for the year	-	-	-	(1,229,337)	(1,229,337)
As at 31 December 2023	**11,581,175**	**796,621**	**(8,050,001)**	**(5,946,669)**	**(1,618,874)**
Share capital issued	297,999	523,655	-	-	821,654
Loss for the year	-	-	-	(693,362)	(693,362)
As at 31 December 2024	**11,879,174**	**1,320,276**	**(8,050,001)**	**(6,640,031)**	**(1,490,582)**

Share capital is the amount subscribed for shares at nominal value.

Share premium is the amount subscribed for share capital in excess of nominal value.

Part of the share capital issued relates to the conversion of £250,000 of convertible loan notes for 119,048 ordinary shares of £1 each, see note 21.

Accumulated losses represent the cumulative loss of the Group attributable to equity shareholders.

The reorganisation reserve arises as a result of the reorganisation accounting adopted as per accounting policy 2.2

The notes on pages 27 to 53 form part of these financial statements.

RENTGUARANTOR HOLDINGS PLC

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Share Capital	Share Premium	Accumulated Losses	Total
	£	£	£	£
As at 31 December 2022	**11,581,175**	**796,621**	**(1,529,267)**	**10,848,529**
Share capital issued	-	-	-	-
Loss for the year	-	-	(789,498)	(789,498)
As at 31 December 2023	**11,581,175**	**796,621**	**(2,318,765)**	**10,059,031**
Share capital issued	297,999	523,655	-	821,654
Loss for the year	-	-	(324,938)	(324,938)
As at 31 December 2024	**11,879,174**	**1,320,276**	**(2,643,703)**	**10,555,747**

Share capital is the amount subscribed for shares at nominal value.

Share premium is the amount subscribed for share capital in excess of nominal value.

Part of the share capital issued relates to the conversion of £250,000 of convertible loan notes for 119,048 ordinary shares of £1 each, see note 21.

Accumulated losses represent the cumulative loss of the Company attributable to equity shareholders.

The notes on pages 27 to 53 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1 General information

RentGuarantor Holdings PLC ("the Company") and its subsidiaries (together, the "Group") has been set up to invest in developing an online platform offering long term property rental services in the United Kingdom. The Company was incorporated in England and is limited by shares. The Group is based in the United Kingdom and the address of the registered office is disclosed on the Company information page at the front of the annual report.

The Company's issued share capital was admitted to trading on the AQSE Growth Market on 8 December 2021. On 1 March 2023 the Company joined the Apex segment of the Aquis Stock Exchange Growth Market.

The Company was incorporated on 5 December 2016.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with UK Adopted International Accounting Standards (IFRS) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. IFRS comprises of standards issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the UK.

Preparation of financial statements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Going concern

The financial statements are required to be prepared on the going concern basis unless it is inappropriate to do so.

The Group incurred losses of £693,362 (2023: £1,229,337) on continuing operations and experienced net cash flows from operating activities of £229,979 (2023: used in operating activities of £71,075). The Group's cash balances at 31 December 2024 were £272,038 (2023: £35,372).

The Group meets its day-to-day working capital requirements through funds from the capital it raised on admission to the AQSE Growth Market and subsequently as well as loans made to the Company.

The Group meets its day-to-day working capital requirements through its revenue and funds from the capital raised from the issuance of Convertible Loan Notes as well as loans made to the Company. More recently, the Company raised £455,275 through the subscription to convertible loan notes. The proceeds of which will be used for working capital purposes as well as supporting the Group's strategic growth plans.

Following the subscription for convertible loan notes, the Group's cash position gives it sufficient headroom to execute its business plans. This has enabled the financial statements to be prepared on a going concern basis.

The Directors have prepared forecasts and projections and have specifically performed a detailed review of those forecasts for the period to December 2026. These reflect the expected trading performance of the Group on the basis of best estimates of management using current knowledge and expectations of trading performance. These forecasts and projections have also been stress tested to consider what the Directors believe to be a 'plausible worst-case scenario'.

The Directors report that they have re-assessed the principal risks, reviewed current performance and forecasts, combined with expenditure commitments, including capital expenditure. The Directors believe that the biggest issue that could give rise to significant doubt over the entities ability to continue as a going concern is if it runs out of cash reserves due to the forecast revenue not being achieved. It is for this reason that the Directors raised additional capital through the issue of convertible loan notes which raised £455,275 and will continue to work towards raising further capital in order to be able to undertake its strategy with strong cash reserves as and when it may be required. Additionally, the Group's forecasts for a period of at least 12 months from the date of signing of these financial statements demonstrate it will have sufficient cash reserves to enable it to meet its obligations as they fall due and should there be an instance where there were a working capital gap due to forecast revenue not being achieved, the CEO has committed to funding that working capital gap. With the continued raising of capital, the forecasts, together with the assurance via a letter of support from the CEO, the Directors believe will be sufficient such that a material uncertainty does not exist. Accordingly, the Directors consider the Group to be a going concern.

Standards and interpretations in issue but not yet effective or not yet relevant

At the date of authorisation of these financial statements the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective. The most significant of these are as follows:

	Effect annual periods beginning before or after
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	1st January 2024
Non-current Liabilities with Covenants – Amendments to IAS 1	1st January 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16	1st January 2024
Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	1st January 2024
Lack of Exchangeability (Amendments to IAS 21)	1st January 2025

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the Group's financial statements.

2.2 Consolidation

(a) Subsidiaries

Other than as described in note 2.2 (b) below, the Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-Company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Group reorganisation accounting

The Company acquired its 100% interest in Ezylet Ltd on 5 December 2016 by way of a share for share exchange. This is a business combination involving entities under common control and the consolidated financial statements are issued in the name of the Company but they are a continuance of those of Ezylet Ltd. Therefore, the assets and liabilities of Ezylet Ltd were initially recognised and measured in these consolidated financial statements at their pre-combination carrying values. The accumulated losses and other equity balances recognised in these consolidated financial statements are the accumulated losses and other equity balances of the Company and Ezylet Ltd. The equity structure appearing in these consolidated financial statements (the number and the type of equity instruments issued) reflect the equity structure of the Company including equity instruments issued by the Company to affect the consolidation. The difference between consideration given and net assets of Ezylet Ltd at the date of acquisition is included in a Group reorganisation reserve.

2.3 Segmental reporting

Operating segments are reported based on financial information provided to the Board, which is used to make strategic decisions. The directors believe that the only operating segment is that reportable for the investment in property rental services in the UK and the revenue generated is all undertaken in the UK. Accordingly, no separate segmental reporting has been produced.

2.4 Financial instruments

IFRS 9 requires an entity to address the classification, measurement and recognition of financial assets and liabilities. The contracts with customers are classified as financial guarantee contracts which fall under the scope of IFRS 9 Financial Instruments. IFRS 9 requires entities to use the revenue recognition principals of IFRS 15 Revenue from Contracts with Customers.

a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or in OCI.

The entity will recognise a financial liability in its statement of financial position when it becomes party to the contractual provisions of the instrument. At initial recognition, the entity measures a financial liability at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Group classifies financial assets as amortised costs only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payment of principal and interest.

b) Recognition

Purchases and sales of financial assets are recognised on trade date (that is, the date on which the Group commits to purchase or sell the asset). Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

d) Impairment

The Group assesses, on a forward-looking basis, the expected credit losses associated with any debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Amortised cost measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal payments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and maturity amount, minus any reduction for impairment.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all of the risks and rewards of ownership. In transaction in which the Group neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset. There have not been any instances where assets have only been partly derecognised. The Group derecognises a financial liability when its contractual obligation is discharged, cancelled or expires.

Impairment

The Group assesses at each financial position date whether there is objective evidence that a financial asset or Group of financial assets is impaired. If there is objective experience (such as significant financial difficulty of obligor, breach of contract, or it becomes probable that debtor will enter bankruptcy), the asset is tested for impairment. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of loss is recognised in the Statement of Comprehensive Income.

2.5 Revenue

Revenue represents the value of services supplied in the provision of the Group’s online platform offering long term property rental services. The entity's main source of revenue derives from rental guarantor contracts whereby the entity acts as a guarantor for tenants willing to apply for a rental contract.

Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring services to a customer net of sales taxes and discounts.

The contracts with customers are classified as financial guarantee contracts which fall under the scope of IFRS 9 Financial Instruments. IFRS 9 requires entities to use the revenue recognition principals of IFRS 15 Revenue from Contracts with Customers.

IFRS 9: Financial Instruments

IFRS 9 defines a financial guarantee contract as: A contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. IFRS 9 requires an entity to immediately recognise an Expected Credit Loss (ECL) from a financial asset at the first reporting date after origination and create an allowance to cover such loss. The expected credit loss is to be covered by provisions, and unexpected loss is to be covered by capital.

ECL Provision

The ECL has been calculated by assessing the historical average value per claim by dividing the total value of claims paid by the total number of claims received. The gross loss each year is used to calculate the historical loss rate, with the amount claimed against insurance presented separately as a contingent asset in 2024 of £2,212 (2023: £7,142). The total amount of completed contracts is then divided by the number of contracts that have had claims made against it as at year end to obtain the relative average percentage loss. The Group then assumes that this percentage loss is the best indicator of the expected credit loss in the coming year and is therefore multiplied by the historical average value and the total amount of live contracts as at year end to obtain the provision.

	Up to 2024	Up to 2023
Total amount of completed contracts since 2021	2,806	1,113
Total number of contracts with a claim made	91	26
Credit loss %	3.24%	2.34%
Net claims settled/paid	£84,755	£31,190
Average amount per claim	£931	£1,198
Total live contracts	1,654	1,065
Expected Credit Loss	£49,959	£29,845

IFRS 15: Revenue from Contracts with Customers

IFRS 15 outlines a single comprehensive model of accounting for revenue arising from contracts with customers. The core principle underlying the IFRS 15 model is that the entity should recognise revenue in a manner that depicts the pattern of transfer of goods and services to customers. The amount recognised should reflect the amount to which the entity expects to be entitled in exchange for those goods and services.

Whilst the application fee element of the Group's revenue has been recognised under IFRS 15, the financial guarantee element has been recognised under IFRS 9, albeit that the Group has referred to the principles of IFRS 15 in the measurement and recognition of such financial guarantee revenue.

In order to meet the core principle, IFRS 15 adopts a five-step model which are assessed in turn.

1- Identify the contracts(s) with a customer.
2- Identify the performance obligations in the contract.
3- Determine the transaction price.
4- Allocate the transaction price to performance obligations.
5- Recognise revenue when (or as) performance obligations are satisfied.

A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Rentguarantor Ltd in the course of assessing an application will be providing the service (Point 1 – the contract) to the Customer (Tenant) up until the point the Tenant pays (Point 3 – The transaction price) for the guarantee. At this point the entire service to the Tenant is satisfied (Point 2 – Performance obligation identified) and they will then be able to rent the property having paid for the guarantee (Point 4 – Transaction price allocated to performance obligation) from the Landlord which is the primary purpose of the Tenant in engaging RG's services (Point 5 – Recognise the revenue at the point the performance obligation is satisfied), notwithstanding this, the tenant enjoys the reward at a point in time to be able to rent the property but they still bear or continue to bear the risk of default and the tenant is still liable for the rent to RG rather than the landlord.

Should the Tenant fall in arrears or a claim be made by the Landlord post the initial payment for the guarantee by the Tenant the obligation and service by RG is then to the Landlord, and not the Tenant, RG's obligation to the Tenant has already been satisfied at the point of initial payment which triggered the Tenants ability to rent the property. The directors consider materially all of the benefit of the contract, for the purposes of the customer (tenant) to be delivered on signing the guarantee. Any future obligation lies with the landlord who is not considered to be the customer within these contracts. The directors believe that the Group has one principal of revenue stream, sourced from rental guarantor contracts. This source of income has been recognised at a point in time when the rental guarantee is initially provided to the tenant.

2.6 Cash and cash equivalents

In the consolidated and company statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are presented as current assets in the statement of financial position.

2.7 Convertible loan notes

The Company's convertible loan notes are recognised at amortised costs unless they are considered to be a hybrid financial instrument comprising a financial liability (loan) and an embedded derivative (share option). At the date of issue, both elements were included in the balance sheet as liabilities one being held at amortised cost and the embedded derivative being held at fair value. The amortised cost element of the loan element was estimated using the prevailing market interest rate for a similar non-convertible debt, estimated at 9.23%. This amount is recorded as a liability on an amortised basis until extinguished upon conversion at the instrument's maturity date. The fair value of the option element was estimated using the Black Scholes option pricing model as at the date of grant and then again at each reporting period end, with subsequent changes in fair value being recognised in the income statement.

On conversion of the loan note to equity, the fair value of the equity will be calculated based on the share price on the date of conversion. The difference between the fair value of the equity issued and the carrying value of the loan note immediately prior to conversion will be recognized within finance costs in the income statement.

The fair value of the share option element is revalued annually by reference to the current share price and is estimated using the Black Scholes option pricing method, and any movement is recognized in the income statement.

2.8 Share capital

Ordinary shares are classified as equity.

2.9 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less.

2.10 Income tax expense

Current income tax which is payable on taxable profits is recognised as an expense in the year in which the profits arise.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.11 Tangible and intangible assets

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

Computer equipment	3 years

Intangible assets

Intangible assets with limited economic lives are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of the intangible assets as follows:

Trademarks	10 years
Databases	10 years
Development costs	3 years

The residual values and useful lives of tangible and intangible assets are reviewed, and adjusted as appropriate, at each balance sheet date.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. In the case of assets whose cash flow generation cannot be separated and distinguished from that of other assets, the recoverable amount of the cash-generating component to which the asset belongs is estimated. Any impairment loss is recognised immediately in the statement of comprehensive income.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating component) is increased to the revised estimate of its recoverable amount, but to the extent that this increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income.

Material intangible assets

These are intangible assets which in the Board's view are crucial to the success of the Group.

Databases

These include historical investments in copyrights, applications, customer data and research and development. The carrying amount of the database as at the year-end is £81,508 (2023: £128,083) with a remaining amortisation period of 1.75 years.

Development Costs (internally developed computer software)

This is the continual investment and development cost of the Group's website portal including proprietary coding and algorithms. The carrying amount of the development costs as at the year-end is £237,422 (2023: £144,122) with an average remaining amortisation period of 2.5 years.

2.12 Research and development

The Group incurs expenditure on research and development in order to develop and improve new and existing websites, website portals and related products. Expenditure may include staff costs of our in-house technical team and that of third-party experts in the field. During 2024 the sum expensed was £194,404 (2023: £116,246).

Unless they meet certain criteria for capitalisation, research expenditure on new websites, website portals or products and obtaining new technical knowledge is expensed in the year in which it is incurred. Development costs whereby research findings are applied to creating a substantially enhanced website, website portal or new product, are only capitalised once we are satisfied that we can reliably measure the feasibility and the commercial viability of the project. Capitalised development costs are amortised on a straight-line basis over their expected useful economic life.

Once the new website, website portal or product is available for use, subsequent expenditure to maintain the website, website portal or product, or on small enhancements to the website, website portal or product, is recognised as an expense when it is incurred.

2.13 Investments in subsidiaries

Investments are held as non-current assets at cost less any provision for impairment. Where the recoverable amount of the investment is less than the carrying amount, impairment is recognised.

2.14 Leased assets

With the exception of short-term leases and leases of low value assets, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate (5.5%) is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received

- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

2.15 Employee benefits

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Group's contribution to defined contribution plans are recognised in the financial year to which they relate.

2.16 Currency translation

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in British Pounds, which is the Company's functional and presentation currency.

2.17 Interest income and expense

Interest income and expense are recognised within finance income and finance costs in profit or loss using the effective interest rate method, except for borrowing costs relating to qualifying assets, which are capitalised as part of the cost of that asset. The Group has chosen to capitalise borrowing costs on all qualifying assets irrespective of whether they are measured at fair value or not.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, pre-payment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

3 Critical accounting estimates and judgments

The Group makes certain judgements and estimates which affect the reported amount of assets and liabilities. Critical judgements and the assumptions used in calculating estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Revenue recognition

Revenue represents the value of services supplied in the provision of the Group's online platform offering long term property rental services. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer net of sales taxes and discounts. The contracts with customers are classified as financial guarantee contracts which fall under the scope of IFRS 9 Financial Instruments. IFRS 9 requires entities to use the revenue recognition principals of IFRS 15 Revenue from Contracts with Customers. The timing of the revenue recognition and whether it was to be recognised at a point in time or over time has entailed an element of judgement.(see note 2.5)

3.2 Capitalisation of Intangible assets

The assessment of the future economic benefits generated by these separately identifiable intangible assets and the determination of its amortisation profile involve a significant degree of judgement based on management estimation of future potential revenue and profit and the useful life of the assets. Reviews are performed regularly to ensure the recoverability of these intangible assets.

3.3 Impairment of investments, intangible assets and intercompany receivables

Determining whether investments and intangible assets are impaired or whether a reversal of impairment of investments and intangible assets recorded in previous years should be recorded requires an estimation of the higher of fair value and value in use, of the relevant cash-generating component, which represents its recoverable value. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating component discounted using a suitable discount rate to determine if any impairment has occurred. A key area of estimate is deciding the long-term growth rate and the discount rate applied to those cash flows. Given the early stage of the business and its revenue growth to date, management have forecast revenue growth in the next 5 years and have then used a rate into perpetuity of 5% and believe that such a period of assessment is appropriate based on the stage the business is in.

As part of the impairment exercise management has undertaken sensitivity analysis of the future results of the Group for a 5 year period in order to ascertain whether the investments and intangibles needed to be impaired. This sensitivity analysis based on revenue growth has included estimations and judgements on revenue growth of -5%, +5% and +10%, and on the parameters used to calculate the Weighted Average Cost of Capital, where it has been assumed that the cost of equity is 11.6%, the cost of debt is 10%.

Having performed the assessment, the result for the worst -5% sensitivity scenario resulted in a net present value of £31m, this meant a headroom of £22.5m when compared to the £8.5m investment. Revenue would need to fall by 25.5% for the net present value of the investment to breakeven with the investment at £8.5m. All the above was in managements view a clear indication that there was significant headroom. It was also management's view, that reasonable judgements were used to determine if an impairment of the investments or intangibles was required.

The above impairment exercise proves that there was no need to impair the intercompany receivables as the directors believe that in future these will be settled with future cash flows. An intercompany letter of support outlining that the respective receivables between companies would not be expected to be settled and also confirmed that the Group would provide such additional working capital as necessary to enable the subsidiaries to meet the debts as and when they fall due for a period of at least twelve months from the date of approval of the financial statements.

3.4 Taxation

In recognising income tax assets and liabilities, management makes estimates of the likely outcomes of decisions by tax authorities on transactions and events whose treatment for tax purposes is uncertain. Where the final outcome of such matters is different, or expected to be

different, from previous assessments made by management, a change to the carrying value of income tax assets and liabilities will be recorded in the year in which such a determination is made.

In recognising deferred tax assets and liabilities management also makes judgements about the likely future taxable profits.

3.5 Convertible loan notes

The convertible loan notes are considered to be a hybrid financial instrument comprising a financial liability (loan) and an embedded derivative (share option).

The Board has considered the key conversion terms in the Loan Notes 2022 as to whether they meet the definition of a derivative. Convertible Loan Notes can only be classified as equity if they meet the definition of equity, commonly referred to as the fixed for fixed criterion. As both the number of shares and the amount of cash (the carrying amount of the liability) vary, such loan notes are not considered to be equity.

As noted above, the standard approach under IFRS requires that a convertible instrument is dealt with by an issuer as having two ‘components’, being a liability host contract plus a separate conversion feature which, in the case of the convertible loan notes issued to date, are to be classified as a fair value liability.

Convertible loan notes have an embedded derivative given the option to convert into cash. The Company has estimated the fair value of the share option element, which is revalued annually, by reference to the current share price using the Black Scholes option pricing method with subsequent changes in fair value being recognised in the income statement.

In accounting for the host debt liability, the effective interest rate has been calculated and for the host liability component it is considered to be 9.23%.

3.6 Intangible asset useful economic life

In establishing the useful economic life of intangibles, management considers and estimates; the expected usage or length of time that the asset is expected to produce benefits for the business, the estimated technical obsolescence of the intangible and the maintenance expenditure.

These estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations on future events that are believed to be reasonable under the circumstances.

4 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

4.1 Financial risk factors

The Group's activities expose it to a variety of risks. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

a) Cash flow and Interest rate risk
The Group has a loan with a related party at the accounting date. The Group accounts for the loan at fair value. The Group does not manage any cash flow interest rate risk.

b) Liquidity risk
The Group is careful to ensure that its loans and investments can be realised prior to the due date for the repayment of loans. This applies equally to the underlying investments of the companies or projects in which the Group invests.

c) Capital risk
The Group takes great care to protect its capital investments. Significant due diligence is undertaken prior to making any investment. The investments are closely monitored.

d) Market risk
The Group currently operates only in the United Kingdom and is exposed to market risks in that jurisdiction. A general economic downturn at a global level, or in one of the world's leading economies, could also impact on the Company. In addition, terrorism and other hostilities, as well as disturbances in worldwide financial markets, could have a negative effect on the Group. Regulatory requirements, taxes, tariffs and other trade barriers, price or exchange controls or other governmental policies could also limit the Group's operations. These risks are also applicable to most companies and the risk that the Group will be more affected than the majority of companies is assessed as small.

e) Price risk
The principal activity of the Group is the provision of an online platform offering long term property rental services in the United Kingdom. The Group does not have a diversified portfolio of services and is therefore at risk.

4.2 Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure appropriate for its growth plans.

In order to maintain or adjust the capital structure the Company may issue new shares or alter debt levels. There were no changes to the objectives, policies or processes either during the year.

5 Segment information

The Group's single line of business is the provision of an online platform offering long term property rental services in the United Kingdom. The Group's primary reporting format is determined by the geographical segment according to the location of its establishments. There is currently only one geographic reporting segment, which is the UK. All revenue is derived from the single segment. As the Group has only been recently formed there are a limited number of customers.

6 Revenue

	2024	2023
	£	£
Revenue from guarantee contracts	1,157,694	700,433
Application fees	116,050	40,595
Total net revenue	1,273,744	741,028

7 Operating loss

	2024	2023
	£	£
Operating loss is stated after charging:		
Amortisation of intangible assets	147,824	115,521
Depreciation	5,847	5,039
Directors' emoluments	294,062	286,878
Wages and salaries	536,748	322,528
Corporate advisor fees	26,931	38,433
Audit fees	91,192	62,550
Other admin expenses	723,229	587,592
Total administrative expenses	1,825,833	1,418,541

8 Employee benefit expense

	2024	2023
Employees and Directors	**£**	**£**
Directors' emoluments	294,062	286,878
Wages and salaries	523,074	315,735
Employer pension contributions	13,674	6,793
Social security costs	54,807	32,177
Directors' social security costs	5,437	5,278
	891,054	646,861

The average monthly number of employees (including directors) during the year was:

	2024	2023
	Number	**Number**
Directors	5	4
Staff	12	10

The highest paid director was Paul Foy, CEO, who received a salary of £156,750 with no other emoluments or benefits. No director has retirement benefits accruing.

The Group identifies its Directors as key management personnel. Key management are considered to be the directors of the Company and their emoluments have been included in the table above.

A list of executive directors and their benefits are outlined in the Directors report.

9 Finance costs

	2024	2023
	£	£
Loan interest payable	36,709	55,875
	36,709	55,875

See note 21 for details on loan interest.

10 Taxation

	2024	2023
	£	£
Total current tax	-	-
Factors affecting the tax charge for the year		
Loss on ordinary activities before taxation	(693,362)	(1,229,337)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25% (2023: 23.5%)	(173,341)	(288,894)
Effects of:		
Tax losses brought forward	-	-
Non-deductible expenses	1,734	(1,757)
Capital allowances claimed	-	4,206
Adjustment due to local tax rates of trading subsidiaries	(4,428)	30,399
Tax losses carried forward	170,646	321,742
Current tax charge for the year	-	-

The main rate of UK corporation tax was 25% for the year ended 31 December 2024, and 19% for the years ended 31 December 2022 and for the first 3 months of the year ended 31 December 2023. The main rate of corporation tax changed to 25% for the financial years beginning 1 April 2023.

At the reporting end date the Group has unused estimated tax losses of approximately £5,181,156 (2023: £4,496,391) with estimated deferred tax assets at the year-end of £980,698 (2023: £813,520) which have not been recognised in the financial statements due to the uncertainty of the recoverability of the amount.

11 Loss per share

Basic earnings per share is calculated by dividing the earnings attributable shareholders by the weighted average number of ordinary shares outstanding during the year. Reconciliations are set out below:

	2024	2023
Losses attributable to ordinary shareholders	(693,362)	(1,229,337)
Weighted average number of shares	11,817,719	11,581,175
Basic and diluted loss per share (pence)	(5.87)	(10.61)

As the Group is loss-making, any potentially dilutive instruments would be considered anti-dilutive, and are disregarded for the purposes of calculating diluted earnings per share.

12 Dividends

No dividends were paid or proposed for the year ended 31 December 2024 (2023: nil).

13 Fixed asset investments – Company

	2024 Shares in Group Undertakings	2023 Shares in Group Undertakings
	£	£
As at 1 January	8,500,501	8,500,501
Additions	-	-
As at 31 December	8,500,501	8,500,501

The Group had the following subsidiaries at 31 December 2024, both of which have been included in the Group consolidation:

Name	Country of incorporation and place of business	Nature of business	Proportion of ordinary shares held by parent and Group (%)
Ezylet Ltd	Gibraltar	Online property portal	100.00
RentGuarantor Limited	UK	Online property portal	100.00

Ezylet Ltd is registered in Gibraltar at 53/57 Line Wall Road, Gibraltar GX11 1AA
RentGuarantor Limited has the same registered office as the Parent Company.
Rentguarantor Limited, Company Registration No. 10510999, is exempt from the requirement to have an audit under the exemption available under s479A of the Companies Act 2006.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

14 Intangible assets- Group

	Trademarks	Database	Domain names	Development costs	Total
	£	£	£	£	£
Cost or valuation					
As at 1 January 2023	14,757	465,753	7,692	570,383	1,058,585
Additions	-	-	-	116,246	116,246
As at 31 December 2023	14,757	465,753	7,692	686,629	1,174,831
Additions	-	-	-	194,404	194,404
As at 31 December 2024	14,757	465,753	7,692	881,033	1,369,235
Accumulated amortisation					
As at 1 January 2023	14,066	291,095	7,692	473,705	786,558
Amortisation for year	145	46,575	-	68,802	115,522
As at 31 December 2023	14,211	337,670	7,692	542,507	902,080
Amortisation for year	145	46,575	-	101,104	147,824
As at 31 December 2024	14,356	384,245	7,692	643,611	1,049,904
Net book value					
As at 31 December 2024	**401**	**81,508**	**-**	**237,422**	**319,331**
As at 31 December 2023	**546**	**128,083**	**-**	**144,122**	**272,751**

Amortisation of intangible assets is included as part of administration expenses in the consolidated statement of comprehensive income.

15 Tangible assets – Group

	Computer equipment	Total
	£	£
Cost or Valuation		
As at 1 January 2023	17,937	17,937
Additions	5,321	5,321
As at 31 December 2023	23,258	23,258
Additions	2,526	2,526
As at 31 December 2024	25,784	25,784
Accumulated depreciation		
As at 1 January 2023	8,229	8,229
Depreciation for the year	5,838	5,838
As at 31 December 2023	14,067	14,067
Depreciation for the year	5,847	5,847
As at 31 December 2024	19,914	19,914
Net Book Value		
As at 31 December 2024	**5,870**	**5,870**
As at 31 December 2023	**9,191**	**9,191**

16 Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Current				
Prepayments	14,015	8,360	4,550	2,231
Trade receivables	-	-	-	-
Other receivables	16,634	14,366	15,487	12,666
Amounts owed by Group undertakings – current	-	-	21,573	21,573
Non-Current				
Amounts owed by Group undertakings – non-current	-	-	3,471,500	3,113,905
	30,649	22,726	3,513,110	3,150,375

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17 Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash at banks and on hand and deposits with banks. Cash and cash equivalents at the end of the reporting year as shown in the Statement of Cash Flows can be reconciled to the related items in the Statement of Financial Position as follows:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	£	**£**	**£**	**£**
Cash and cash equivalents	272,038	35,372	238,242	283

The carrying amount of cash and cash equivalents approximates to its fair value.

18 Share capital

	Number of shares	Ordinary share capital
Allotted, called up and fully paid		**£**
Balance as at 1 January 2023	11,581,175	11,581,175
Shares issued in the year in the parent	-	-
Balance as at 31 December 2023	**11,581,175**	**11,581,175**
Shares issued during the year in the parent	297,999	297,999
Balance as at 31 December 2024	**11,879,174**	**11,879,174**

Share capital issued relates to the conversion of convertible loan notes to shares at a fair value price of £2.72 with £1.72 of it relating to share premium. There was also a standard share issue in the year at £2.74 a share.

The total authorised number of ordinary shares is 40 million shares (2023: 40 million shares) with a par value of £1 per share (2023: £1 per share). All issued shares are fully paid.

Warrants

On Admission to the AQSE Market in December 2021, the Company agreed to grant its broker warrants to subscribe for 3,750 new Ordinary Shares exercisable at £2.00 per Ordinary Share at any time from the date of Admission for three years, no warrants have been exercised as at 31 December 2024, these warrants have now lapsed.

19 Reserves

Full details of movements in reserves are set out in the consolidated statement of changes in equity on page 27.

The following describes the nature and purpose of each reserve within owners' equity.

Reserve	**Description and Purpose**
Share premium	Amount subscribed for share capital in excess of nominal value.
Reorganisation reserve	Amounts in excess of nominal value of share capital issued as consideration for acquisition of more than 90% ownership. See 2.2 (c).
Retained earnings	Cumulative net gains and losses recognized in the consolidation income statement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

20 Liabilities

Non-current liabilities	**Group**		**Company**	
	2024	**2023**	**2024**	**2023**
Convertible loan notes	**£**	**£**	**£**	**£**
As at 1 January	903,253	500,000	903,253	500,000
Issued during the year	-	-	-	-
Unpaid interest accrued	12,123	44,795	12,123	44,795
Repaid/converted in year	(272,397)	-	(272,397)	-
Fair value movement	(240,352)	358,458	(240,352)	358,458
Reclassification to current liabilities	(402,627)		(402,627)	
As at 31 December	**-**	**903,253**	**-**	**903,253**
Total non-current liabilities	**-**	**903,253**	**-**	**903,253**

Current liabilities	**Group**		**Company**	
	2024	**2023**	**2024**	**2023**
	£	**£**	**£**	**£**
Convertible loan notes	282,878	204,504	261,425	204,504
CLN derivative liability	118,106	-	118,106	-
Trade payables	300,058	216,607	152,730	105,871
Taxation and social welfare	153,794	188,971	-	-
Amounts due to related parties	632,453	350,500	650,518	350,500
Advance payments received	455,275	-	455,275	-
Accruals	126,104	65,235	58,053	28,000
Expected credit loss provn.	49,959	29,845	-	-
Total current liabilities	**2,118,627**	**1,055,662**	**1,696,107**	**688,875**

The fair value of the share option element is revalued annually by reference to the current share price and has been calculated using the Black Scholes option pricing method, assuming the inputs shown below:

NOTES TO THE FINANCIAL STATEMENTS
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	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022	As at grant date 7 June 2022
Share price at date of grant / review grant of CLN	£2.53	£2.74	£1.85	£1.82
Conversion price	£2.10	£2.10	£2.10	£2.10
Remaining life of warrant	0.5 years	1.5 years	2.5 years	3 years
Risk free rate at grant	4.57%	2.44%	2.44%	2.44%
Volatility	5.38%	11.00%	11.00%	11.00%
Dividend yield	0%	0%	0%	0%
Fair value	£0.47	£0.72	£0.08	£0.09

Convertible loan notes	**Liability component £**	**Derivative liability £**	**Total £**
As at 1st January 2023			-
Brought forward	500,000		500,000
Issued in the year	200,000		200,000
Interest charged	49,299		49,299
Interest paid	-		-
Interest included in accruals	-		-
Fair value movement	-	358,458	358,458
Converted in the year	-		-
As at 31st December 2023	749,299	358,458	1,107,757
Issued in the year			-
Interest charged	26,071		26,071
Interest paid	(42,493)		(42,493)
Fair value movement		(44,198)	(44,198)
Converted/expired in the year	(459,271)	(196,154)	(655,425)
As at 31st December 2024	**273,606**	**118,106**	**391,712**

During the year £250,000 of the carried forward Non-current Convertible Loan Liability was converted. In line with IFRS 9 and IAS 32, the Group has chosen to apply approach 1 when converting a convertible instrument that is not a compound instrument and contains an embedded derivative element. This therefore means that the Group has chosen to recognise the difference between i) the carrying amount of the debt host contract (convertible loan liability) plus the carrying amount of the embedded derivative at the date of conversion and ii) the fair value of the shares issued at the conversion date within profit or loss. The fair value of the shares was based on the share price at date of conversion of £2.78.

The derivative element of the liability was therefore revalued at the date of conversion, and 50% of this carrying value was derecognised along with 50% (£250k) of the convertible loan liability, which was the proportion of the convertible loan note which was converted in the year. This movement plus the fair value movement in the derivative element of the liability in the year, give us the closing balance of £118,106, which is now recognised as a current liability within the financial statements, alongside the remaining convertible loan note liability that has a redemption date of July 2025.

Interest on the loan notes accrues yearly at 6%. Such interest is to be paid on the first, second- and third-year anniversaries of the deed entered into by the Company on 7 June 2022 (the "Deed"). The interest charge for the year is calculated by applying an effective rate of interest of 9.23% to the liability component for the period since the loan notes were issued, being the interest rate that would have applied if there were no share option element.

The fair value adjustment is as a result of the increase in the share price of the Company, which makes it more likely that the loan note holders will exercise their right to convert the loan notes to share capital.

On 5 March 2024 Paul Foy converted £250,000 of the convertible loan note to shares at a fair value price of £2.72.

The Company may convert the principal sum into fully paid Ordinary Shares at the lower of the share price of the Ordinary Shares of the Company on the Conversion Date and the average price of the Ordinary Shares traded on the Aquis Stock Exchange (or other applicable stock exchange) when calculated across the sixty consecutive days prior to the Conversion Date.

21 Cash generated / (consumed) in operations

	Group	
	2024	**2023**
	£	**£**
Operating loss	(693,362)	(1,229,337)
Adjustments for:		
Amortisation and depreciation	153,671	132,806
Lease expense	-	12,500
Finance costs	36,709	55,875
Revaluation of loan note	(159,399)	358,458
Unpaid interest on loan note	32,878	44,795
Changes in working capital:		
- (Increase) / decrease in trade and other receivables	(7,923)	6,257
- Increase / (decrease) in trade and other payables	867,405	547,571
	229,979	**(71,075)**

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22 Related party transactions – Company

	2024	2023
	£	£
Amounts due to related parties - current		
Short term loan from Paul Foy	475,000	350,000
Convertible loan notes Paul Foy (incl accrued interest)	261,425	550,000
Shareholder loan David Foy (incl accrued interest)	156,953	150,000
	893,378	1,050,000

Paul Foy, CEO of Rentguarantor was paid £30,000 being 6% interest on the loan note detailed at Note 21. David Foy is a related party by virtue of being a family connection to Paul Foy.

23 Contingencies

Contingent assets

The Group has a contingent asset in respect of the recoveries of insurance claims paid by the Group on behalf of tenants or insurers for claims on contracts made, which amounted to £2,212 as at 31 December 2024 (2023: £7,142).

Contingent liabilities

The Group has no contingent liabilities in respect of legal or other financial claims arising from the ordinary course of business.

24 Financial instruments

Liquidity risk

Liquidity risk is the risk that the Group might be unable to meet its obligations as they fall due. The Group manages its liquidity by forecasting cash inflows and outflows on a regular basis. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions.

A maturity analysis of the carrying amount of the Group's borrowings is shown below:

	2024	2023
	£	£
Less than one year	915,331	555,004
Two to five years	455,275	903,253
Over five years	-	-
	1,370,606	1,458,257

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and other stakeholders. The Group manages the capital structure, being cash and cash equivalents, availability of longer-term funding, and makes changes in light of movements in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust its borrowings and investment decisions.

The carrying amount of financial instruments at fair value is shown below:

	2024	2023
	£	£
Cash and cash equivalents	272,038	35,372
Convertible loan notes	400,984	903,253

The carrying amount of financial instruments at amortised cost is shown below:

Financial assets	2024	2023
	£	£
Trade and other receivables	30,649	22,726

Financial liabilities	2024	2023
	£	£
Trade and other payables	651,989	500,658
Borrowings	1,349,153	555,004

25 Subsequent events

Post year end the Company announced that it had raised new capital through the subscription of Convertible Loan Notes. On the 8th January 2025 the Company raised gross proceeds of £455,275 from a number of investors through the subscription to 10% coupon unsecured convertible loan notes.

The Company has evaluated subsequent events and determined that there have been no other events that have occurred that would require adjustments to our disclosures in the consolidated financial statements.

26 Controlling party

There is no controlling party in the Company.