

RNS Final Results

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Dozens Savings PLC
21 January 2021

Dozens Savings Plc
("DS" or "the Company")

FINAL RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

The directors present the strategic report for the year ended 30 September 2020.

Business Review

The Company was formed to issue debt securities (namely listed bonds paying 5% fixed interest over a 12 month period) to UK retail investors. The ultimate aim of the Company and its Parent, Project Imagine Limited, is to encourage savers to become investors by providing an investment product where capital is not at risk. The issued bonds of the company have been admitted to Aquis Stock Exchange and the company has a total facility for issuing £7 million of bonds, each bond being worth £100, in total over a rolling twelve-month period.

The Company successfully issued 16,412 bonds worth £1,641,200 in total during the 12 months ending September 2020. The bonds are marketed by its parent company, Project Imagine Limited and a secondary market is being made by Thomas Grant and Company Limited.

The Company relies on the funding of its Parent, Project Imagine Limited for the continuation of frequent bond issuances in order to encourage savers to become investors.

Principal risks and uncertainties

Business model - the risk that the Company's business model is not sustainable due to poor execution of the Company's strategic plan or inability to adapt to changing market conditions.

Financial - any risks that could impact the Company's financial profile, in particular cash flow risk rising from failure to maintain an adequate working capital position.

Compliance - the risk of not meeting relevant legislations, rules and regulations which could cause customers harm, financial losses or reputational damage to the Company.

Operational - the risk that failures of people, processes or internal and third-party systems could lead to a service disruption or financial losses.

Britain's exit from the European Union ('Brexit') - the risk that passporting rights and the ability to transact with partners across the EU become impaired. While it is hard to quantify this risk at present the Company has communicated with consultants and partners to ensure any required steps are taken to mitigate any risk. Because the Company services only UK consumers, Brexit is not expected to impact its ability to service its customers.

COVID-19 - the risk that critical partners' businesses will cease to be viable impacting continuity of third party services on which the application depends. Also the risk that prospective B2B customers will delay implementation of new core-banking platforms delaying revenue.

Financial Review

Sustainable financial growth is key to delivering the Group's mission in a responsible way which prioritises its customers interests. In FY20 the Group raised £3.8m (and a further £2m post year-end) across a range of investors to support growth while maintaining its regulatory obligations.

Reflecting a full 12-month period, the Company's operating loss decreased slightly in FY20 to £182,894 (2019 - £189,090) as the Company successfully moved to fully remote working in the fallout of the Covid-19 pandemic.

At the end of the period, the Company had gross assets of £1,692,078 (2019 - £219,085), shareholder's funds of £28,016 (2019 - £110,910) and total cash balances of £1,466,688 (2019 - £194,168).

Key performance indicators

Average bond balance held by subscribers

Since September 2019, average bond balance held by customers has increased from £1,241 to £3,627.

Rate of subscription to monthly bond issuances

Since September 2019, monthly issuances have been oversubscribed by 3.5x on average.

Other performance indicators

The Company's business model is not reliant on any natural resources, nor does management anticipate climate change having a direct impact on the Company's operations.

The Company performs an important role in society by incentivising users to save. As long as the Company continues to operate in an ethical and responsible fashion, it expects to continue fulfilling this important role while helping other businesses to improve consumers' lives through innovative financial technology.

Future Outlook

Since the reporting date the company has issued a further 10,353 bonds of £100 each for an aggregate total of £1,035,300.

The Directors believe that the Company, along with that of Project Imagine Limited, has a strong story to tell in relation to its mission and will continue to raise interest in its bonds with marketing campaigns, word of mouth and press coverage.

The Company's KPIs demonstrate that this is the case as demand for the Company's issued bonds continues to outstrip supply. Meanwhile the number of unique savers accessing the product is increasing, demonstrating the increasing reach and profile of the Company.

On behalf of the board

A Chakravarty
Director
 19 January 2021

Statement of Comprehensive Income for the year ended 30 September 2020

	Notes	Year ended 30-Sep 2020 £	Period ended 30-Sep 2019 £
Administrative expenses		(124,722)	(187,032)
Interest receivable and similar income		1,077	101
Interest payable and similar expenses		(59,249)	(2,159)
Loss before taxation		(182,894)	(189,090)
Tax on loss		-	-
Loss for the financial year		(182,894)	(189,090)
Other comprehensive income		-	-
Total comprehensive income for the year		(182,894)	(189,090)
Earnings per share (expressed in pence per share)			
From continuing operations:			
Basic and diluted loss per share	2	(0.60p)	(0.89p)

Statement of financial position as at 30 September 2020

	2020 £	£	2019 £	£
Current assets				
Debtors	225,390		24,917	
Cash at bank and in hand	1,466,688		194,168	
	<u>1,692,078</u>		<u>219,085</u>	
Creditors: amounts falling due within one year	<u>(1,664,062)</u>		<u>(108,175)</u>	
Net current assets	<u>28,016</u>		<u>110,910</u>	
Capital and reserves				
Called up share capital	400,000		300,000	
Profit and loss reserves	(371,984)		(189,090)	
	<u>28,016</u>		<u>110,910</u>	
Total equity	<u>28,016</u>		<u>110,910</u>	

Cash Flow Statement for the year ended 30 September 2020

	2020		2019	
	£	£	£	£
Cash flows from operating activities				
Cash absorbed by operations		(319,508)		(196,933)
Interest paid		(59,249)		-
		<hr/>		<hr/>
Net cash outflow from operating activities		(378,757)		(196,933)
Investing activities				
Interest received	1,077		101	
	<hr/>		<hr/>	
Net cash generated from investing activities		1,077		101
Financing activities				
Proceeds from issue of shares	100,000		300,000	
Issue of bonds	1,641,200		91,000	
Repayment of bonds	(91,000)		-	
	<hr/>		<hr/>	
Net cash generated from financing activities		1,650,200		391,000
		<hr/>		<hr/>
Net increase in cash and cash equivalents		1,272,520		194,168
Cash and cash equivalents at beginning of year		194,168		-
		<hr/>		<hr/>
Cash and cash equivalents at end of year		1,466,688		194,168
		<hr/> <hr/>		<hr/> <hr/>

NOTES TO PRELIMINARY RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2020

1. The financial information set out above does not constitute statutory accounts for the purpose of Section 434 of the Companies Act 2006. The financial information has been extracted from the statutory accounts of Dozens Savings Plc and is presented using the same accounting policies, which have not yet been filed with the Registrar of companies, but on which the auditors gave an unqualified report on 19 January 2021.

The preliminary announcement of the results for the period ended 30 September 2020 was approved by the board of directors on 21 January 2021.

2. **Loss per share**

	12 months to September 2020	9 months to September 2019
Loss per ordinary share:		
Basic	(0.60p)	(0.89p)
Diluted	(0.60p)	(0.89p)

Earnings per share has been calculated on the net basis on the loss after tax of £182,894 (2019 - £189,090) using the weighted average number of ordinary shares in issue of 302,732 (2019 - 212,698).

There were no potentially dilutive shares at the period end.

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The directors of Dozens Savings plc accept responsibility for this announcement.

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